

Michigan State Waterways Commission
Regular Meeting

Draft Minutes of the Meeting of
April 15, 2005

Cheboygan City Hall
Conference Room
Cheboygan, Michigan

A regular meeting of the Michigan State Waterways Commission was called to order by Chairman Winn at 9:05 a.m. on Friday, April 15, 2005, at the Cheboygan City Hall, Cheboygan, Michigan. The following Commissioners were present:

John Winn, Chairman
G. Dennis Bailey
Janet Mansfield
Carol B. Oakley
Todd Wyett

Commissioner David Giffin participated via conference call and Commissioner Curtis Hertel was excused.

Resource Management Deputy Mindy Koch and Department of Natural Resources (Department) Lansing staff were present.

Chairman Winn thanked the City of Cheboygan for hosting the Commission meeting today, as well as yesterday's subcommittee meetings.

Minutes:

February 11, 2005

MOTION: Commissioner Mansfield moved to approve the minutes of the February 11, 2005 Michigan State Waterways Commission meeting. The motion was seconded by Commissioner Oakley and the minutes were unanimously approved.

Public Appearances

Mr. Russell Czuba, from Leeland Township, spoke regarding Leland Township Marina's application for Waterways assistance with harbor improvements. The planned update includes facilities for guests to get out of poor weather, relief of traffic congestion, relocation of fuel tanks, and addition of another launch ramp. Leeland Township is seeking a permanent premium rate variance and would like to defer becoming part of the Central Reservation System (CRS). The community is also requesting that the Waterways Commission fund 75% of their planned project.

MOTION: Commissioner Mansfield moved to allow Leland Township Marina to change to a permanent premium rate. The motion was seconded by Commissioner Oakley and it carried unanimously.

The project has an estimated cost of \$2,570,000. Commissioner Giffin stated that only projects of \$4,000,000 or more could be granted 75% funding. Commissioner Winn indicated that he would prefer to assist smaller communities with this type of project rather than not doing any projects. The community will review the entire project, including the possibility of moving the south breakwall and the boat launch, and return to the Commission with their funding request.

Chairman Winn introduced and welcomed two new Commissioners to the Waterways Commission: Denny Bailey from Drummond Island and Todd Wyett from Bloomfield.

The remaining individuals present to speak to the Commission decided to wait until their topics of concern came up on the agenda.

Old Business

Project Status Report

Mr. Bill Boik provided an update regarding the projects currently in progress. A new format was utilized for the status report and Mr. Boik requested the Commission's input for any recommended changes.

The Cedar River project is still on target for completion by May 15, in spite of some minor glitches. The contractor is currently working on the sewage lagoon.

Presque Isle State Dock underwent electrical and fuel upgrades during the winter.

Mackinaw Island State Dock received repairs this winter due to ice damage. Skid pier renovations also occurred.

Future projects include:

- Cheboygan Forks boating access site;
- Bergland Dock boating access site (in the upper peninsula), which will include dock replacement;
- Selfridge boating access site (near Mt. Clemens), which includes seawall repair and replacement;
- Fair Haven boating access site (in southeast Michigan), including increased parking facilities and vault toilet replacement; and
- Jasper Dairy boating access site (in southwestern Michigan); which includes bank stabilization.

The Mackinac City project was presented showing the existing marina and as it will appear with the project completed. The mix of slip sizes will be reviewed. Revised plans will be prepared and should include some 45- and 60-foot slips. The addition of broadside moorage was also suggested. New plans for this project will be presented to the Facilities Committee for review.

Operations Status Report

Mr. Harold Herta provided an update with regard to operations. CRS bids are due back next Wednesday and there are five interested bidders with no Michigan firms. Specific time constraints are included in the three-year contract. While there are options for extension the contract can be no longer than 7 years. Mr. Herta explained that the Department is seeking a firm with a proven track record and call center experience.

The CRS is not slip specific, but rather guarantees space within the system. Commissioner Oakley asked if there is a way to estimate whether there are fewer transient pull-ins due to CRS. Mr. Herta stated that there are more boater nights since the implementation of CRS. Commissioner Oakley had a problem with a user number when attempting to utilize the system. Mr. Herta will check on the availability of having a customer number emailed to a user.

Staff is working on some new initiatives including a blue bike program. This encourages harbors to offer used bikes for customers to borrow. There are some operations concerns including tracking down bikes, repairs, and liability in case of accidents. Some communities have for-profit bike rentals, which causes a concern of displacing their business through this service.

The Department is also working on arranging a shuttle service to pick customers up at Tri-Centennial State Harbor and take them to local attractions. Staff is in contact with Commissioner Hertel's office with regard to this initiative. Commissioner Oakley expressed concern that the Waterways Commission should not be contracting for shuttle service. She suggested that Harbor staff could work with local businesses (restaurants, casinos etc.) and offer free advertising on a bulletin board in exchange for free shuttle or taxi service for boaters who patronize the participating businesses.

Commissioner Giffin expressed his opposition to using Waterways funds for the blue bicycle program or a shuttle service. Chairman Winn proposed these items could be accomplished as a local endeavor. Mr. Herta explained that the Department is only trying to facilitate these initiatives.

Mr. Herta explained a handout that was distributed regarding the Department's fuel policy. This policy prevents the Department from providing unfair competition to local marinas. The Department is asking the Commission's approval to change our fuel contract to 87-octane gasoline and low sulphur #2 diesel fuel instead of the premium fuel presently on the contract. This would mean the Department would be selling the same type of fuel as the local marinas.

MOTION: Commissioner Bailey moved to change the Department contract to 87-octane gasoline and continue with premium diesel fuel. Commissioner Mansfield seconded the motion and it carried unanimously.

Upon further discussion and questions regarding the correct octane number, the immediately preceding motion was tabled until the June meeting to allow for follow-up. Harold will review the relevant material and issues and report to the Commission.

Standing Committee Reports

The Facilities and Finance Committees met yesterday and have nothing to report.

Approval of Assessment Criteria

This project proposes criteria to objectively evaluate the relative public value of marina facilities. Mr. Herta suggested that the material be reviewed by Committee. Chairman Winn does not believe the Commission needs this much detail for review of marinas. An Operations/Policy Committee meeting will be held prior to the June meeting.

New Business

Rogers City Reservations

This issue relates to a CRS restriction. The harbormasters expressed concern that large slips could be taken up by smaller boaters; CRS now allows for a minimum boat length. Boaters reserve a space and the harbormaster assigns a specific slip when the boater arrives. Rogers City does not allow boaters to reserve through CRS if their boat is less than 32 feet. Mr. Ron Kile is protesting this arrangement. Chairman Winn stated that the intent was for this to be on a one-on-one basis and that CRS would talk to the marina and attempt to accommodate small boaters.

Mr. Kile feels recreational boaters are being penalized if they have boats smaller than 32 feet. Commissioner Giffin asked if Mr. Kile spoke with the harbormaster. Mr. Kile spoke with the harbor last year but has not spoken with Rogers City this year. Chairman Winn stated that it was not the intent of the Commission to eliminate any class or size of boat.

The Commission asked Rogers City to work this out with Mr. Kile. Rogers City should also contact Mr. Herta so this can be changed in the CRS. A two-week time period was set for resolution. Mr. Herta will work with CRS to add broadside moorage.

Sault Ste. Marie Variance Request

This request consists of three parts:

The first portion of this variance requests an increase in seasonal slips at the George Kemp Marina from twelve to twenty through the 2007 season. The Commission previously approved this for the 2004 season only. Staff recommends approval with the caveat that an annual report of transient usage be submitted to the Commission to ensure that transient boaters are not adversely affected.

MOTION: Commissioner Giffin moved to allow this portion of Sault Ste. Marie's request as recommended by staff. The motion was seconded by Commissioner Bailey and approved unanimously.

Chairman Winn requested that staff follow up on reports that communities are to provide to the Commission. Mr. Herta will bring documentation to the next meeting.

The second portion of this variance requests a continuation of the weekly rate of \$3 per foot for no more than five boats per week, when individuals want to store their boat at the marina. This was approved in 2004. Staff recommends reapproval with a caveat; the storage option should be limited to no longer than a two-week period with a week in between.

MOTION: Commissioner Mansfield moved to approve this request as recommended by staff. Commissioner Oakley seconded the motion and it was unanimously approved.

The third portion of this variance requests a 20% reduction in the approved 2005 seasonal rate for the Charles Hardy Marina for the 2005 season. The Commission approved this reduction in 2004. Staff recommends approval of this request for a reduced seasonal rate.

MOTION: Commission Wyatt moved to approve this portion of the Sault Ste. Marie variance request. Commissioner Bailey seconded the motion and it carried unanimously.

Big Bay Variance Request

This request seeks a reduced rate for seasonal dockage. Staff recommends approval with the requirement for a 5-year history of seasonal and transient users.

MOTION: Commissioner Mansfield moved to approve this variance as recommended by staff. The motion was seconded by Commissioner Wyett and carried unanimously.

Bay City – Liberty Harbor Variance Request

This variance is a request to waive all fees at Liberty Harbor. Another local marina facility is installing a boatlift and Liberty Harbor is requesting this as a good neighbor gesture. The variance would occur off-season and during the week and staff recommends approval.

MOTION: Commissioner Oakley moved to approve this variance as recommended by staff. Commissioner Mansfield seconded the motion and it was unanimously approved.

Bay City is also requesting permission for the placement of floating docks for patron use by a local restaurant. The restaurant has purchased their own docks and staff recommends approval. This is a limited source of revenue for the city and requires a Department of Environmental Quality (DEQ) permit. Commissioner Giffin expressed no

objection to the floating docks, but stated that final approval must be acquired from DEQ.

MOTION: Commissioner Oakley moved to approve this request as recommended by staff. The motion was seconded by Commissioner Bailey and it carried unanimously.

Port Austin Variance Request

This variance request concerns the Miss Port Austin owned by Captain Davis. The Commission previously rejected this request due to Captain Davis' unwillingness to pay the commercial fee of double the standard seasonal slip rate. Staff recommends approval of the commercial slip, but it would have to go out as an advertised bid, at the standard double seasonal fee rate of \$2,680 per season.

Captain Davis began with a docking agreement and then switched to a user permit. The dock he is asking for is broadside, with a plug only, the water is on the opposite side of dock, and there are large rocks behind the boat. Captain Davis is asking for consideration due to the conditions of the dock. He would like a use permit for another year or two at a lesser amount. Captain Davis did not previously keep the boat there, which is why it was established as a use permit. He is now asking for permission for the boat to remain in the harbor rather than being moved every day. Captain Davis would like a rate of around \$2,000.

MOTION: Commissioner Wyett moved to allow this slip to be bid out with a \$2,000 minimum bid, since the usual amenities are not provided. The process must be noticed in the normal manner for commercial slips. The motion was seconded by Commissioner Mansfield and it was approved unanimously.

South Haven Variance Request

This variance request from the City of South Haven seeks a change in the daily launch fee to \$7, and the combination of various fees to a single annual fee of \$75 for the use of Black River Park. Staff recommends approval of this request.

MOTION: Commissioner Oakley moved to approve this request as recommended by staff. The motion was seconded by Commissioner Bailey and it carried unanimously.

Ms. Robin Abshire, harbormaster of the City of South Haven spoke to the Commission regarding the Michigan Boating Industry Association (MBIA) yearly conference. She is asking for support from the Commission to allow municipal harbors to join MBIA for one year. The MBIA is willing to slate the first day of their annual conference for municipal members. The Commission supports the harbormasters' participation in MBIA.

Rogers City Mayor Beach Hall requested the addition of ten broadside slips in CRS that will be unrestricted by boat size. This can be accomplished by next week.

MOTION: Commissioner Mansfield moved to approve this request for broadside slips in Rogers City. The motion was seconded by Commissioner Oakley and it was unanimously approved.

This meeting of the Michigan State Waterways Commission adjourned at 12:00 p.m.

Filename: Michigan State Waterways Commission April 15 Final
Minutes.doc
Directory: C:\Documents and Settings\stojakot\Desktop
Template: C:\Program Files\Microsoft Office\Templates\Normal.dot
Title: Michigan State Waterways Commission
Subject:
Author: State of Michigan
Keywords:
Comments:
Creation Date: 06/13/2005 3:01 PM
Change Number: 2
Last Saved On: 06/13/2005 3:01 PM
Last Saved By: State of Michigan
Total Editing Time: 0 Minutes
Last Printed On: 06/14/2005 8:32 AM
As of Last Complete Printing
Number of Pages: 7
Number of Words: 2,191 (approx.)
Number of Characters: 12,490 (approx.)